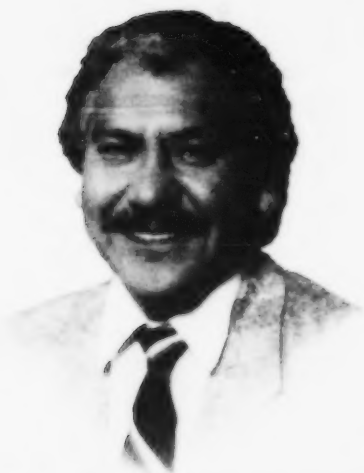


2008
ANNUAL REPORT





Clarence Campeau Development Fund

The Clarence Campeau Development Fund (CCDF) is named after the late Clarence Campeau, Métis political leader and promoter of Métis self-sufficiency through business and economic development activities.



Chairman's Message

2008 was an outstanding year for the Clarence Campeau Development Fund. Not only did the Fund have record approval numbers but it also demonstrated flexible and innovative new funding options for Métis applicants during the year.

Economic conditions in Saskatchewan were excellent in 2008 and CCDF provided the vehicle for Métis entrepreneurs and communities to take advantage of the window of opportunity it created. Without the access to equity capital provided by CCDF these projects would not have become a reality, jobs would not have been created and the benefits to the provincial economy would not have been realized.

CCDF staff continued to travel to all areas of the province to assist Métis people and Communities to explore options for business development. The entrepreneurial spirit of the Métis has been evident throughout the province with large attendance numbers at the informational workshops that have been held in a number of Regions. The dialogue and feedback has proven to be beneficial and the information will be valuable as we move towards developing a new strategic plan in 2009.

During the year three board members were replaced as their terms expired. We were most pleased to have these positions filled quickly and the new board members have brought a new vision and some very valuable insight to the board of CCDF.

I would like to thank the Métis Nation – Saskatchewan, the Ministries of Enterprise and Innovation and First Nations and Métis Relations for providing ongoing support to the Fund. I would also like to acknowledge the excellent work of the management and staff of the Fund. Their outstanding efforts towards improving the economic conditions of Métis people in the province are paying huge dividends as our people move towards self sufficiency.

Bob McLeod
Chairman of the Board



Chief Executive Officer's Message

I am most pleased to report on the results of the Clarence Campeau Development Fund for 2008. The Fund continued to contribute in a positive and meaningful way to the economic prosperity of Saskatchewan and in particular to Métis communities and individuals through the leveraging of debt, creation of jobs and spin-off benefits related to infrastructure development across the province.

During the year the Fund approved 145 business applications under 6 program areas. The total value of these approvals was in excess of 4.2 million dollars. The equity support provided by CCDF resulted in other funding of almost 11 million dollars being leveraged and 233 jobs being created or secured in the province.

An independent review of the Fund was initiated prior to year end. The Fund receives \$2,000,000 annually from the province however financing approvals now more than double the funding that is provided. Fortunately principal repayment from clients, interest and dividend revenues have allowed the Fund to retain a healthy level of capital to meet the ever pressing demands. The review is intended to report on the corporate health of the Fund, identify the level of funding that will be required over the next few years to enable the Fund to grow and meet its mandate and make suggestions related to potential changes to the legislation and Operating Agreement that may be required to provide more flexibility in program delivery.

CCDF continued to deliver the First Nations and Métis Economic Development Program to Métis clients in the province. The program provides up to \$25,000 as equity for businesses operating in the sectors of energy, mining, forestry, value added agriculture, manufacturing and Aboriginal themed tourism.

I would once again like to thank the members of the board for their sound guidance and support. Their vision and commitment is instrumental in the continued growth of CCDF. I also want to recognize the efforts of the staff who continue to demonstrate a passion for their work with Métis Communities and entrepreneurs across the province. The Fund is well positioned going into 2009 and we look forward to the challenge ahead of us.

Roland Duplessis
Chief Executive Officer



The Fund

THE CLARENCE CAMPEAU DEVELOPMENT FUND (CCDF) was established by The Métis Society of Saskatchewan Inc. subject to an agreement with the Government of Saskatchewan dated June 11, 1997. In September of 2001 an amendment to the Gaming Act recognized CCDF in legislation and a new Agreement between the province and the Métis Nation-Saskatchewan Secretariat Inc. was executed in December 2002.

The purpose of the CCDF is to provide financial assistance where currently there is a void for Métis clients. The CCDF is not designed to replace or be in competition with, but to augment and complement existing government programs, agencies and other financial institutions. All applicants are to explore other sources of funding (e.g. banks, credit unions, SaskMétis Economic Development Corporation, Community Futures, Aboriginal Business Canada, and the Northern Development Fund). The CCDF will not fund cultural activities, social programs, operations of political bodies, or non-economic related development projects.

The objective of the Fund is to stimulate economic development activities of Métis people and communities by providing equity for Métis businesses, support to community economic development initiatives, and assistance for the development of the management skills of new and existing Métis business owners and entrepreneurs. The Fund derives its revenue subject to the agreement with the Government of Saskatchewan.

Mission Statement

THE MISSION OF THE CCDF is to improve the economic circumstances of Saskatchewan Métis by providing funding for community development initiatives, development of management skills and assistance to new and existing Métis businesses.

Goals and Objectives

THE GOALS OF THE CCDF WILL BE AS FOLLOWS:

- To ensure that Métis Entrepreneurs acquire the management, administrative and marketing skills necessary for business success;
- To increase employment opportunities for Métis persons;
- To improve incomes for Métis persons.



Loan/Equity Contribution Program

This program is to assist Métis entrepreneurs by providing capital through interest free loans or equity that will enhance the applicant's ability to leverage financing from other institutions and agencies.

CCDF can provide financial assistance of up to the lesser of \$200,000 per project or 35% of the value of the fixed assets identified in the program costs.

Purpose:

- The purchase or start-up of a new business
- The purchase of an existing business
- Business expansion or renovation

Method of Investment:

Re-payable contributions for a term not to exceed seven years

Equity instruments as follows to be held for a maximum period of ten years:

- Common shares
- Preferred shares
- Convertible preferred shares; or
- Convertible debentures for a maximum period of ten years.

General Guidelines:

- Businesses funded under this program must be for-profit and demonstrate viability through a sound business plan;
- Applicants must contribute a minimum of 5% equity to the project. Projects deemed by the Fund to be higher risk will require larger equity contributions;
- Equity may be in the form of cash, machinery, equipment, real estate or other unencumbered fixed assets. Assets must be valued at fair market value by an independent appraiser.



Community Business Development Program

This program is intended to assist Métis community owned business development associations and corporations leverage capital to develop businesses that will result in the creation of wealth and jobs for Métis.

Under this program CCDF can provide a one time non-repayable contribution up to the lesser of \$100,000 or 35% of the value of fixed assets as identified in the program costs. Should the business be sold or disposed of within 3 years of receiving a non-repayable contribution it will become repayable immediately.

As well CCDF can contribute up to the lesser of \$200,000 or 35% of the value of the fixed assets as a repayable contribution, preferred shares, convertible preferred shares or convertible debentures.

Repayable contributions will be for a term not to exceed seven years while equity instruments will not exceed ten years.

Note: Total funding from CCDF under this program will not exceed 50% of the value of the fixed assets.

Purpose:

- To start a new business
- To purchase an existing business
- To renovate or expand an existing business

General Guidelines:

- Businesses funded under this program must be for-profit and demonstrate viability through a sound business plan;
- The community will be expected to demonstrate its commitment through an injection of reasonable equity.

Large scale or Joint Venture Projects Program

Funding is available under this program for up to the lesser of \$1,000,000 or 50% of the total project costs. Minimum funding under this program will be \$201,000. Projects funded under this program must be for-profit and commercially viable with total project costs in excess of \$ 500,000. Priority will be given to, but not restricted to higher end, value added projects.

Financial assistance will be in the form of:

- Common shares;
- Preferred shares;
- Convertible preferred shares;
- Convertible debentures;
- Mortgages and other forms of debt;
- Units in a limited partnership or joint venture for a period set out in the partnership agreement or joint venture agreement



Development of Management and Marketing Skills Program

This program supports training for new and existing Métis entrepreneurs to develop their management and marketing skills.

Guidelines:

- Applicants must provide an application that includes the purpose of the course as well as a course outline and a detailed budget;
- Applicants must demonstrate that they have approached other Métis educational funding agencies prior to applying to CCDF. CCDF does not intend to duplicate the services of other Métis Nation agencies or affiliates;
- Training must be through credible organizations that undertake to provide appropriate training;
- The training must be specific to business management and not technical training unrelated to the development of management and marketing skills;
- The maximum available under this program is 75% of the approved costs;
- CCDF funds only direct course costs such as tuition, workshop fees, and books. Living costs are not included;
- This funding is only for short courses (degree and post-graduate studies are excluded);
- CCDF can support the development of business related courses through Métis training institutions. In this case the institution must provide accurate budgets, complete details on the training including a course outline and a list of the individuals (full and part time) enrolling in the program and other information that may be required to evaluate the success of the training upon completion.

Business Plan Assistance Program:

This program is intended to provide support to entrepreneurs who in the opinion of the Fund have a business concept that through initial screening provides excellent opportunity but requires a professional business plan in order to attract financing.

This program will allow entrepreneurs to engage the services of a professional consultant in order to undertake the quality of research and planning necessary to develop a business plan and attract financing.

Guidelines:

- The applicant will provide CCDF with an application for initial screening by the fund;
- The applicant must provide the name and qualifications of the consultant, a terms of reference and a quote of the costs agreed to;
- CCDF can consider funding up to 75% of the costs to a maximum of \$10,000;
- This funding will not be repayable.



Support for Aftercare Program:

This program is intended to provide professional support to new businesses in order to help improve the opportunity for success.

Guidelines:

- Funding under this program is intended to allow the business to engage the services of a professional consultant to examine the operations of the business in order to identify areas that may require special attention;
- The applicant must provide the name and qualifications of the consultant, a terms of reference and a quote of the costs agreed to; CCDF can consider funding of up to 100% of the cost, to a maximum of \$10,000 over the life of the contribution;
- Funding under this program is not repayable;
- Funding is not intended for the development of interim or annual financial statements.

General Guidelines For All Projects

Projects which are not eligible:

- Refinancing (some exceptions apply);
- Payment of dividends;
- Cultural activities;
- Social programs;
- Political bodies for political process.
- Residential real estate;
- Commercial real estate for the sole purpose of lease or rent to others. The applicants' business must occupy the majority of space and be commercially viable exclusive of the rental/lease income to receive support from CCDF (some exceptions may apply).

All applicants will be required to enter into a contractual agreement with CCDF.



Cumulative Funding Approval Report

YEAR	TYPE	NUMBER	AMOUNT	JOBS	LEVERAGED \$
1998	C/D	9	\$ 177,109	-	\$ 335,818
1999	C/D	19	\$ 522,650	-	\$ 603,980
2000	C/D	18	\$ 468,300	-	\$ 1,144,909
2001	C/D	19	\$ 427,566	13	\$ 615,317
2002	C/D	7	\$ 302,467	12	\$ 396,686
2003	C/D	3	\$ 221,350	5	\$ 159,920
2004	C/D	4	\$ 332,190	7	\$ 196,209
2005	C/D	2	\$ 141,150	18	\$ 497,090
2006	C/D	1	\$ 36,000	6	\$ 78,169
2007	C/D	1	\$ 100,000	4	\$ 362,167
2008	C/D	3	\$ 250,000	35	\$ 1,043,167
Total		86	\$ 2,978,782	100	\$ 5,433,432
1998	E	17	\$ 419,908	39	\$ 2,091,231
1999	E	49	\$ 1,212,768	98	\$ 4,076,152
2000	E	57	\$ 739,593	85	\$ 2,934,716
2001	E	49	\$ 693,183	102	\$ 2,412,600
2002	E	55	\$ 838,816	90	\$ 2,234,803
2003	E	31	\$ 1,178,142	93	\$ 3,016,812
2004	E	52	\$ 2,119,784	162	\$ 7,932,876
2005	E	32	\$ 2,902,617	136	\$ 6,755,007
2006	E	54	\$ 2,711,629	144	\$ 8,495,758
2007	E	46	\$ 3,271,743	186	\$ 25,700,314
2008	E	52	\$ 3,591,869	201	\$ 10,065,788
Total		494	\$ 19,680,052	1336	\$ 75,716,057
2003	BP	28	\$ 68,623	-	-
2004	BP	33	\$ 83,289	-	-
2005	BP	25	\$ 68,193	-	-
2006	BP	46	\$ 130,353	-	-
2007	BP	53	\$ 137,256	-	-
2008	BP	87	\$ 475,982	-	-
Total		272	\$ 963,696	-	-
2000	MSD	1	\$ 100,000	-	\$ 251,128
2003	MSD	4	\$ 8,169	-	\$ -
2004	MSD	-	\$ -	-	\$ -
2005	MSD	2	\$ 5,029	-	\$ -
2006	MSD	2	\$ 11,829	-	\$ -
2007	MSD	4	\$ 8,313	-	\$ -
2008	MSD	4	\$ 3,011	-	\$ -
Total		17	\$ 136,351	-	\$ 251,128
2004	Other	1	\$ 150,000	3	\$ 75,000
Cumulative Total		870	\$23,908,881	1439	\$81,475,617

C/D - Community Business Development Program

E - Loan Equity Contribution Program

MSD - Management and Marketing Skills Development Program

BP - Business Plans & Aftercare Programs

Other - MN-S Economic Development Department

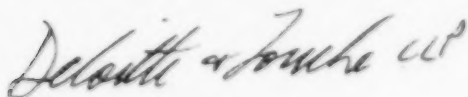
AUDITORS' REPORT

TO THE DIRECTORS OF CLARENCE CAMPEAU DEVELOPMENT FUND

We have audited the statement of financial position of the Clarence Campeau Development Fund as at December 31, 2008 and the statements of revenue, expenditures and net assets and cash flows for the year then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Chartered Accountants

March 4, 2009

CLARENCE CAMPEAU DEVELOPMENT FUND
(Operating as the Métis Development Fund)
STATEMENT OF REVENUE, EXPENDITURES AND NET ASSETS
year ended December 31, 2008

	Budget (Unaudited)	2008	2007
Revenues			
Government funding	\$ 2,060,000	\$ 2,044,000	\$ 2,060,000
Reimbursements from National Aboriginal Capital Corporation Association	-	7,344	10,474
Interest and investment income	430,504	489,414	487,415
Administration fees	15,000	28,253	19,692
Recovery of bad debt	-	221	11,428
Symposium revenue	-	-	15,585
10th Anniversary Funding	-	-	18,000
	<u>2,505,504</u>	<u>2,569,232</u>	<u>2,622,594</u>
Operating expenditures			
Advertising and promotion	33,996	34,605	32,538
Amortization of capital assets	-	36,769	33,485
Bank charges	2,496	2,551	2,443
Building expenses	37,304	27,372	13,462
Consulting fees	20,000	18,933	6,386
Directors' expenses	73,610	49,583	52,805
Donations	38,448	30,100	30,256
Employee travel	66,600	55,261	48,627
Office expenses	31,480	34,674	41,183
Professional fees	42,000	38,716	41,861
Rent	-	-	11,961
Salaries and benefits	499,800	515,449	374,505
Symposium	-	-	22,317
Telephone	19,800	21,275	17,969
10th Anniversary	-	-	27,149
Training	6,000	7,574	8,026
	<u>871,534</u>	<u>872,862</u>	<u>764,972</u>
	<u>\$ 1,633,970</u>	<u>1,696,370</u>	<u>1,857,622</u>
Other expenditures			
Non-repayable contributions to community projects		497,216	216,970
Defaulted contributions receivable (Note 5)		239,357	88,616
Additional provision for contributions receivable losses (Note 5)		149,941	123,503
		<u>886,514</u>	<u>429,089</u>
Excess of revenue over expenditures		809,856	1,428,533
Net assets, beginning of year		15,904,392	14,519,753
Changes in accounting policy		-	(43,894)
Net assets, end of year		<u>\$ 16,714,248</u>	<u>\$ 15,904,392</u>

See accompanying notes

CLARENCE CAMPEAU DEVELOPMENT FUND
(Operating as the Métis Development Fund)
STATEMENT OF FINANCIAL POSITION
as at December 31, 2008

	2008	2007
CURRENT ASSETS		
Cash	\$ 1,824,907	\$ 1,280,119
Short-term investments (Note 4)	4,725,166	5,196,005
Accounts receivable	262,071	234,426
Interest receivable	85,745	70,550
Current portion of contributions receivable (Note 5)	1,534,919	1,382,011
	<u>8,432,808</u>	<u>8,163,111</u>
LONG-TERM INVESTMENTS (Note 4)	888,598	1,808,805
CONTRIBUTIONS RECEIVABLE (Note 5)	7,205,273	6,097,323
CAPITAL ASSETS (Note 6)	572,276	488,156
	<u>\$ 17,098,955</u>	<u>\$ 16,557,395</u>
CURRENT LIABILITIES		
Accounts payable	\$ 16,957	\$ 15,784
Contributions payable	367,750	637,219
	<u>384,707</u>	<u>653,003</u>
NET ASSETS	<u>16,714,248</u>	<u>15,904,392</u>
	<u>\$ 17,098,955</u>	<u>\$ 16,557,395</u>

See accompanying notes

APPROVED BY THE BOARD:

B. M. Levesque Director
[Signature] Director

CLARENCE CAMPEAU DEVELOPMENT FUND
(Operating as the Métis Development Fund)
STATEMENT OF CASH FLOWS
year ended December 31, 2008

	2008	2007
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Excess of revenue over expenditures	\$ 809,856	\$ 1,428,533
Items not affecting cash		
Amortization of capital assets	36,769	33,485
Amortization of bond premium	-	49,150
Change in market value of investments	-	(43,894)
Defaulted contributions receivable (Note 5)	239,357	88,616
Additional provision for contributions receivable losses (Note 5)	149,941	123,503
Net change in non-cash working capital items relating to operations (Note 9)	<u>(311,136)</u>	<u>(21,280)</u>
	<u>924,787</u>	<u>1,658,113</u>
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Contribution receipts	1,067,799	353,381
Contribution payments advanced	(2,746,621)	(2,080,656)
Purchase of capital assets	(120,889)	(491,726)
Mortgage payments received	28,664	26,295
Purchase of long-term investments	-	(50,300)
Proceeds on sale of long-term investments	<u>920,209</u>	<u>798,000</u>
	<u>(850,838)</u>	<u>(1,445,006)</u>
INCREASE IN CASH DURING THE YEAR	<u>73,949</u>	<u>213,107</u>
CASH POSITION, BEGINNING OF YEAR	<u>6,476,124</u>	<u>6,263,017</u>
CASH POSITION, END OF YEAR	<u><u>\$ 6,550,073</u></u>	<u><u>\$ 6,476,124</u></u>
Cash, for purpose of the statement of cash flows, consists of:		
Cash	\$ 1,824,907	\$ 1,280,119
Short-term investments	<u>4,725,166</u>	<u>5,196,005</u>
	<u><u>\$ 6,550,073</u></u>	<u><u>\$ 6,476,124</u></u>

See accompanying notes

CLARENCE CAMPEAU DEVELOPMENT FUND
(Operating as the Métis Development Fund)
NOTES TO THE FINANCIAL STATEMENTS
year ended December 31, 2008

1. NATURE OF THE FUND

The Clarence Campeau Development Fund (the "Fund") was established by The Métis Society of Saskatchewan Inc. ("Métis Nation") pursuant to an agreement with the Government of Saskatchewan (Economic & Co-operative Development) dated June 11, 1997. Effective November 9, 2001, the Minister of Aboriginal Affairs designated the Fund as the Métis Development Fund pursuant to the *Saskatchewan Gaming Corporation Act*. A new agreement between the province and the Métis Nation-Saskatchewan Secretariat Inc. was executed in December 2002 and the Fund is governed in accordance with that agreement.

The objective of the Fund is to stimulate economic development activities of Métis people and communities by providing equity for Métis businesses, supporting community economic development initiatives and developing management skills of new and existing Métis business owners and entrepreneurs. To achieve this, the Fund makes repayable contributions to qualifying projects and both repayable contributions and non-repayable contributions to community projects.

The term of the repayable contributions by the Fund is up to seven years. Equity instruments and convertible debentures can be held by the Fund for a maximum period of ten years. Contributions are targeted to commercially viable, market-based projects, primarily in value-added sectors of the economy such as forestry, mining, tourism and information technology with specific contribution criteria approved by the Board. The Board may enter into agreements with other contributing entities and appropriate business support agencies. Each single project is subject to a maximum of the lesser of 35% of the value of the fixed assets identified in the project costs or \$200,000. Funding is available for large scale or joint venture projects for up to the lesser of \$1,000,000 or 50% of the value of the fixed assets identified in the project.

Under the Community Development Business Program, the Fund can provide a onetime non-repayable contribution up to the lesser of \$100,000 or 35% of the value of the fixed assets identified in the project costs. Should the business be sold or disposed of within three years of receiving a non-repayable contribution, it will become repayable immediately. Under the Development of Management and Marketing Skills Program, the Fund can provide contributions up to 75% of approved training costs. Under the Business Plan Assistance Program, the Fund can consider funding up to 75% of the cost, to a maximum of \$10,000. Under the Support for Aftercare Program, the Fund can provide contributions up to 100% of the costs, to a maximum of \$10,000 over the life of the contribution.

CLARENCE CAMPEAU DEVELOPMENT FUND
(Operating as the Métis Development Fund)
NOTES TO THE FINANCIAL STATEMENTS
year ended December 31, 2008

1. NATURE OF THE FUND (continued)

The Fund derives its revenue pursuant to the Saskatchewan Gaming Corporation Act. In 2008 the Fund received \$2,000,000 from the Ministry of First Nations and Métis Relations (2007 - \$2,000,000). In addition, \$44,000 (2007 - \$60,000) was received from Ministry of First Nations and Métis Relations for providing assessments of Métis grant proposals.

2. CHANGE IN ACCOUNTING POLICIES

Capital Disclosures

The Fund adopted the recommendations of CICA Handbook Section 1535, *Capital Disclosures*. This Section requires the disclosure of information about how the Fund defines and manages capital.

The Fund's objectives when managing capital are to safeguard the entity's ability to operate and continue to stimulate economic development activities of Metis people and communities in a high quality manner while maintaining reasonable rates and charges for its users. The Fund's capital resources are managed to support achievement of its goals. The overall objectives for managing capital remained unchanged in 2008 from the prior year.

The Fund determines the amount of capital that may be required by monitoring the long-term plans to meet the needs of their users and stakeholders.

Financial Instruments

Section 3862, Financial instruments – Disclosures and Section 3863, Financial instruments – Presentation. Section 3862 requires the disclosure of information about: a) the significance of financial instruments for the entity's financial position and performance and b) the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the balance sheet date, and how the entity manages those risks. The required disclosures are included in note 8. Section 3863 contains standards for presentation of financial instruments and non-financial derivatives. The adoption of this Section had no impact on the financial statements.

CLARENCE CAMPEAU DEVELOPMENT FUND
(Operating as the Métis Development Fund)
NOTES TO THE FINANCIAL STATEMENTS
year ended December 31, 2008

2. CHANGE IN ACCOUNTING POLICIES (continued)

Recent Accounting Pronouncements

International Financial Reporting Standards ("IFRS")

The Accounting Standards Board ("AcSB") has announced that Canadian publicly accountable enterprises will be required to adopt IFRS effective January 1, 2011. Although IFRS employs a conceptual framework that is similar to Canadian GAAP, differences in accounting policies will have to be addressed. The Fund is currently assessing the impact of this announcement on its financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

Use of Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses at year end. The most significant estimate is the provision for contributions receivable. Actual results could differ from those estimates.

Cash and Investments

Cash and investments consist of cash on hand, balances with banks, and short-term investments in money market instruments, GIC's and bonds. Long term investments consist of mortgages against land and buildings and bonds.

Financial instruments

Financial assets and financial liabilities are initially recognized at fair value and their subsequent measurement is dependent on their classification as described below. Their classification depends on the purpose, for which the financial instruments were acquired or issued, their characteristics and the Fund's designation of such instruments. Settlement date accounting is used.

CLARENCE CAMPEAU DEVELOPMENT FUND
(Operating as the Métis Development Fund)
NOTES TO THE FINANCIAL STATEMENTS
year ended December 31, 2008

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Classification

Cash	Held for trading
Short-term investments	Held for trading
Accounts receivable	Loans and receivables
Interest receivable	Loans and receivables
Contributions receivable	Loans and receivables
Long-term investments	Held for trading
Long-term investments in mortgages	Loans and receivables
Accounts payable	Other liabilities
Contributions payable	Other liabilities

Held for trading

Held for trading financial assets are financial assets typically acquired for resale prior to maturity or that are designated as held for trading. They are measured at fair value at the balance sheet date. Fair value fluctuations including interest earned, interest accrued, gains and losses realized on disposal and unrealized gains and losses are included in interest and investment income.

Loans and receivables

Loans and receivables are accounted for at amortized cost using the effective interest method.

Other liabilities

Other liabilities are recorded at amortized cost using the effective interest method and include all financial liabilities, other than derivative instruments.

Transaction Costs

Transaction costs related to held for trading financial assets are expensed as incurred. Transaction costs related to loans and receivables and other liabilities are netted against the carrying value of the asset or liability and are then recognized over the expected life of the instrument using the effective interest method.

CLARENCE CAMPEAU DEVELOPMENT FUND
(Operating as the Métis Development Fund)
NOTES TO THE FINANCIAL STATEMENTS
year ended December 31, 2008

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Effective interest method

The Fund uses the effective interest method to recognize interest income or expense which includes transaction costs or fees, premiums or discounts earned or incurred for financial instruments.

Capital Assets and Amortization

Capital assets are recorded at cost. Normal repair and maintenance costs are expensed as incurred. Amortization is recorded in the accounts on the diminishing balance basis as follows:

Building	4%
Office furniture	20%
Computer equipment	30%
Computer software	100%

Revenue Recognition

Revenue received or receivable pursuant to the agreement with the Government of Saskatchewan is recognized as revenue if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment and interest income is recognized as revenue when earned.

Contributions

Contributions under \$200,000 are recorded when the CEO has approved the payment and all conditions are met by the applicant. Contributions over \$200,000 and less than \$500,000 are recorded when the Investment and Audit Committee of the Board has approved the payment and all conditions are met by the applicant. Contributions over \$500,000 are recorded when the Board has approved the payment and all conditions are met by the applicant.

CLARENCE CAMPEAU DEVELOPMENT FUND
(Operating as the Métis Development Fund)
NOTES TO THE FINANCIAL STATEMENTS
year ended December 31, 2008

4. INVESTMENTS

Short-term investments consist of the following:

	2008		2007	
	Cost	Fair Value	Cost	Fair Value
Bankers Acceptance	\$ -	\$ -	\$ 2,956,000	\$ 2,920,802
Bank of Nova Scotia GIC	3,503,000	3,503,000	1,450,000	1,450,500
Bank of Nova Scotia Deposit Note	-	-	473,000	472,422
Provincial Metis Holdco Inc. mortgage	-	-	286,000	286,000
Province of Saskatchewan Bond	1,167,000	1,222,268	-	-
Money Market	(102)	(102)	66,281	66,281
	\$ 4,669,898	\$ 4,725,166	\$ 5,231,281	\$ 5,196,005

The short-term investments include a Bank of Nova Scotia 2.55% GIC maturing on November 27, 2009, a Bank of Nova Scotia 3.25% GIC maturing on May 8, 2009, and a Bank of Nova Scotia 3.3% GIC maturing on February 27, 2009. Also included in short-term investments is a 5 year, 6.5% Province of Saskatchewan bond with par value of \$1,167,000 (2007 - \$1,167,000) maturing on November 12, 2009.

Long-term investments

Long-term investments consist of a \$250,000 fifteen-year first mortgage against land and building owned by Dumont Technical Institute, due December 1, 2018; the balance at December 31, 2008 is \$181,455 (2007 - \$194,755). Interest is renewed annually on December 1st at an interest rate of 2% over the lowest bankers acceptance rate for the Bank of Nova Scotia at that date. As the interest rate is revalued every year, the fair value of the mortgage approximates the carrying value. Management has indicated that the fair market value of the land and building are in excess of the amount owing on the mortgage.

Long-term investments also include a \$363,000 ten-year first mortgage against land and building owned by 625865 Saskatchewan Ltd, due November 1, 2016; the balance at December 31, 2008 is \$332,061 (2007 - \$347,422). For the first five years of the loan the interest rate will be 6.15% per annum, calculated monthly, and for the last five years of the loan at the rate of 2% over the Province of Saskatchewan five-year bond rate at November 1, 2011. Interest is comparable to market rates for the first five years and after this is revalued every year, therefore, the fair value of the mortgage approximates the carrying value. Management has indicated that the fair market value of the land and building are in excess of the amount owing on the mortgage.

CLARENCE CAMPEAU DEVELOPMENT FUND
(Operating as the Métis Development Fund)
NOTES TO THE FINANCIAL STATEMENTS
year ended December 31, 2008

4. INVESTMENTS (continued)

Long-term investments (continued)

Long-term investments also include a \$286,000 ten-year first mortgage against land and building owned by Provincial Métis Holdco Inc., due November 1, 2018; the balance at December 31, 2008 is \$286,000. Interest is renewed annually on November 1st at an interest rate of 2% over the lowest bankers acceptance rate for the Bank of Nova Scotia at that date. As the interest rate is revalued every year, the fair value of the mortgage approximates the carrying value. Management has indicated that the fair market value of the land and building are in excess of the amount owing on the mortgage.

Also included in long-term investments is a 5 year, 4.2% Saskatchewan Savings bond with par value of \$90,300 maturing on July 15, 2012.

5. CONTRIBUTIONS RECEIVABLE

Contributions receivable are amounts distributed to qualified projects to provide funding. Contributions are either interest free loans or equity investments. Interest-free loans are repayable to the Fund over a maximum term of seven years. The maximum term for equity instruments is ten years and usually involves the payment of regular dividends which are included in interest and investment income in the Statement of Revenue, Expenditures and Net Assets. The dividend rate is determined based on the current bankers acceptance rate plus 2%. These equity instruments are convertible to debt at the option of the Fund after a period equal to half the term of the instrument.

All contributions in arrears are handled on a case-by-case basis and are written-off after all reasonable restructuring/collection activities have taken place and the possibility of further recovery is considered to be remote.

A contribution is classified as non-performing when management has determined that there is a reasonable doubt as to the ultimate collectability of principal. The provision for defaulted contributions receivable consists of specific items established on a case-by-case basis and a general provision of 10% of the outstanding contributions receivable.

The Fund evaluates each client's creditworthiness on a case-by-case basis. The Fund contracts project assessment and project follow up and evaluation services from other qualified institutions or businesses, where necessary. All applicants are required to enter into a contractual agreement with the Fund. Further, the Fund is required to ensure Métis ancestry when granting an equity contribution.

CLARENCE CAMPEAU DEVELOPMENT FUND
(Operating as the Métis Development Fund)
NOTES TO THE FINANCIAL STATEMENTS
year ended December 31, 2008

5. CONTRIBUTIONS RECEIVABLE (continued)

Contributions receivable are principally the financial instruments which potentially subject the Fund to concentrations of credit risk. Management is not aware of any concentrations of contributions to classes of borrowers or industries that would be similarly affected by economic conditions. Although the Fund's contributions portfolio is diversified, a substantial portion of its borrowers' ability to honour the terms of their loans is dependent on business and economic conditions in Saskatchewan.

Contributions receivable consist of the following:

	<u>2008</u>	<u>2007</u>
Contributions receivable	\$ 9,950,682	\$ 8,389,141
Less provision for defaulted contributions		
Specific items	(239,357)	(88,616)
General provision	(971,133)	(821,191)
	<u>8,740,192</u>	<u>7,479,334</u>
Less current portion	(1,534,919)	(1,382,011)
Long-term contributions receivable	<u>\$ 7,205,273</u>	<u>\$ 6,097,323</u>

The fair value of contributions receivable is not readily determinable as there is no market for the contributions receivable and it is management's intention to hold these receivables to maturity.

6. CAPITAL ASSETS

	<u>2008</u>			<u>2007</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Land	\$ 94,600	\$ -	\$ 94,600	\$ 94,600
Building	438,091	31,189	406,902	341,643
Office furniture	119,276	60,382	58,894	36,574
Computer equipment	54,862	42,982	11,880	15,339
Computer software	15,270	15,270	-	-
	<u>\$ 722,099</u>	<u>\$ 149,823</u>	<u>\$ 572,276</u>	<u>\$ 488,156</u>

CLARENCE CAMPEAU DEVELOPMENT FUND
(Operating as the Métis Development Fund)
NOTES TO THE FINANCIAL STATEMENTS
year ended December 31, 2008

7. RELATED PARTY TRANSACTIONS

Transactions with related parties are measured at the exchange amount which is the consideration established and agreed to by the related parties.

During the year, the Fund paid \$25,000 (2007 - \$25,000) to Back to Batoche Métis Festival. Back to Batoche Métis Festival is the celebration of Métis culture and history hosted annually by the Métis Nation of Saskatchewan.

The Board allows its members to apply for contributions for qualifying projects. At year end a company controlled by a board member had \$293,300 in repayable contributions, payable to the Fund. The funding was received prior to the board member becoming elected to the Board. These repayable contributions are all in good standing at December 31, 2008.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Fund, through its financial assets and liabilities, has exposure to the following risks from its use of financial instruments: credit risk, market risk and interest rate risk.

Credit Risk

The Fund's principal financial assets are cash, short-term investments, accounts receivable and contributions receivable which are subject to credit risk. The carrying amounts of financial assets on the statement of financial position represent the Corporation's maximum credit exposure at the balance sheet date.

The Fund's credit risk is primarily attributable to its contributions receivables. The Fund does not have significant exposure to any individual customer and reviews the allowance for doubtful accounts on an annual basis. Processes and procedures are in place to ensure the credit worthiness of the customers to whom contributions are advanced, which helps to mitigate overall credit risk. The credit risk on cash and short-term investments is limited because the counterparties are chartered banks with high credit-ratings assigned by national credit-rating agencies.

CLARENCE CAMPEAU DEVELOPMENT FUND
(Operating as the Métis Development Fund)
NOTES TO THE FINANCIAL STATEMENTS
year ended December 31, 2008

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Interest Rate Risk

The interest bearing short-term investments have a limited exposure to interest rate risk due to their short term maturity.

Interest rate risk on long-term investments is limited due to variable interest rate terms which are adjusted annually based on current market rates.

Fair Values

The fair values of cash, accounts receivable, contributions receivable and accounts payable and accrued liabilities approximate their carrying values due to their short-term maturity.

The fair value of the short-term investments is based on quoted market prices.

9. NET CHANGE IN NON-CASH WORKING CAPITAL

Details of net changes in each element of non-cash working capital relating to operations are as follows:

	<u>2008</u>	<u>2007</u>
(Increase) in current assets		
Accounts receivable	\$ (27,645)	\$ (89,887)
Interest receivable	(15,195)	(33,185)
	<u>(42,840)</u>	<u>(123,072)</u>
Increase (decrease) in current liabilities		
Accounts payable	1,173	(21,459)
Contributions payable	(269,469)	123,251
	<u>(268,296)</u>	<u>101,792</u>
	<u>\$ (311,136)</u>	<u>\$ (21,280)</u>

Testimonials



I am overwhelmed by the support I have received from the staff at Clarence Campeau and can never thank them enough. I could not have opened my salon and day spa without the Clarence Campeau Development Fund; their contribution was vital to my project. Every phone call was filled with information, patience, and encouragement. They understand the challenges that exist as an entrepreneur and make their portion as effortless as possible. CCDF is the most organized and productive support program I have ever encountered. Thank you so much for making my dream come true.

Maxine Slonski
Frangipanis Salon & Day Spa
Candle Lake, Saskatchewan

MCKAY'S CONSTRUCTION INC.

I am taking this opportunity to thank the CCDF for the assistance in acquiring my D7 Cat. I am so pleased that the Clarence Campeau Development Fund is available to help small business owners such as myself.

Once again thanks and keep up the good work.

Ricky McKay
McKay's Construction Inc.
Buffalo Narrows, Saskatchewan

Garrison Instrumentation

With great appreciation, we would like to extend a note of honor and gratitude to the Clarence Campeau Development Fund for the aide given to us through knowledge and finance. Starting a business was new, exciting and frightening, but with their expertise, helping us every step of the way, the transition was smoother and less stressful. We often recommend CCDF to other young entrepreneurs. CCDF and the staff we have dealt with were very professional and personable. Our family felt like we mattered; we were not just another number or statistic to add to their repertoire. We continue to stay in contact with CCDF and will continue to as our business expands in the future.

Keith & Renee Garrison
Garrison Instrumentation
Prince Albert, Saskatchewan

Testimonials



Mirage Woodworks Inc. is Saskatoon's newest kitchen, bath and furniture manufacturer. We are a family owned and operated business that strives for excellence in quality, value and service. We produce a high quality product that fits into every budget. Mirage Woodworks produces affordable lines of cabinetry that still allows the customer to have a beautiful and functional home. Mirage also produces kitchens and baths with all the extras for those who are in the market for something extraordinary.

The Clarence Campeau Development Fund helped us purchase the modern machinery that allows precision woodwork and excellent craftsmanship. The Clarence Campeau Development Fund staff went above and beyond to provide us with guidance and professional advice. The business is growing faster than we could have ever imagined thanks to the help we received. Our families would like to thank CCDF for all that they have done to help us reach our goal.

Martin & Shelley Bettker
AJ & Crystal Itterman
Mirage Woodworks
Saskatoon, Saskatchewan

The Body Rejuvenation Zone

It is with sincere appreciation and gratitude to the Clarence Campeau Development Fund for assisting me in making my dream come true. Thanks to CCDF, I am the first person in Saskatchewan and the second person in Canada to own a Medi Lift machine. Without the help of CCDF I would not have been able to purchase the equipment and all the accessories needed to open "The Body Rejuvenation Zone". I am extremely excited and optimistic that my new business will be successful.

Darla Waddell-Kwochka
The Body Rejuvenation Zone
Weyburn, Saskatchewan

ARCHERWILL MÉTIS LOCAL #58

On behalf of the Board of Directors and the members of Eastern Region II of the Métis Nation we would like to thank the Clarence Campeau Development Fund for the assistance in the recent acquisition of a new building in Melfort. This building will be utilized for the betterment of Métis and other citizens in the area. The Métis in the area not only have a place where they can now access services but a place that they can take pride in knowing that they have ownership in. The staff of CCDF was extremely helpful and professional in their dealing with our office. Again, thank-you for your assistance.

Helene Johnson
President
Archerwill, Saskatchewan

Testimonials

Diggs Building Movers

Thanks CCDF for all your help in establishing Diggs Building Movers. Your professional and caring staff was focused on providing the support I needed to get the business established. If it wasn't for CCDF this business would not have been able to purchase the equipment required. I would highly recommend CCDF to other Métis people who are interested in starting their own business.

Colby Robin

*Diggs Building Movers
Leask, Saskatchewan*



Thank you to Clarence Campeau Development Fund for supporting Aurora Sign Works. Your support and understanding of small business needs is to commended. Your support has enabled us to expand our manufacturing facilities and purchase a large laser engraver/cutter. This will enable us to offer new quality products, enhance our current ones and serve our customers into the future for many years. We invite everyone to visit us and see our quality CNC carved cedar signs, laser engraved signs, gift engraving and the many custom products that we produce. Thank you CCDF.

Albert & Sandra Venne

*Aurora Sign Works
Wakaw, Saskatchewan*

Green Lake Gas & Grocery

We appreciate the efforts of the Clarence Campeau Development Fund this past summer to help us achieve our dream of establishing Green Lake Gas & Grocery. Through consultation, assistance with our business plan and interest-free loan, CCDF helped make it possible to provide this much needed service for the Métis community of Green Lake.

Mark & Merle Ramshaw

*Green Lake Gas & Grocery
Green Lake, Saskatchewan*

Family Pawn & Second Hand

A big thank you to Clarence Campeau Development Fund for helping us to purchase a building. We have been serving Moose Jaw and area for 20 years and hope to provide our services for many more years to come.

Dale & Wendy Duzan

*Family Pawn & Second Hand
Moose Jaw, Saskatchewan*

Testimonials

CHOICE

DIRECTIONAL DRILLING INC.

Choice Directional Drilling Inc. provides horizontal directional drilling at a competitive value from a group of competent, highly trained individuals with 30 years of combined drilling experience. Choice Directional Drilling Inc. is a Métis owned company which is poised to establish itself as a leader in the horizontal directional drilling field to people and companies in need of trenchless alternatives, and environmental friendly solutions to conventional open trench techniques.

The Clarence Campeau Development Fund was one of the driving forces in the success of Choice Directional Drilling Inc. From the business plan to post startup management training, CCDF provides all of the tools needed to start, build and manage a company. It's not only the financial assistance that CCDF gives, but the experienced case workers that know the ins and outs of entire lending sequence. In short without CCDF, Choice Directional Drilling Inc. might have taken years to become what it has in less than a year; a Saskatchewan Chamber of Commerce award finalist in the category of Aboriginal Business of the Year. Thank you to the CCDF staff and the entire board for helping our dreams come true.

**Timothy Griffith, Harley Alton
and Troy Lavalley**

*Choice Directional Drilling Inc.
Regina, Saskatchewan*



Central Urban Métis Federation Inc. (CUMFI) would like to take this opportunity to thank the Board of Directors, Management and Staff of the Clarence Campeau Development Fund. Their valued support allowed CUMFI to fulfill a vision we have had for many years. We moved into our new office building May 1, 2008 and have truly become a Community Resource Centre. We are grateful for the financial support, expertise and community commitment of CCDF.

Shirley Isbister

President

CUMFI

Saskatoon, Saskatchewan

CCDF Staff



left to right:

Rebecca Krahn ~ *Office Manager*

Roland Duplessis ~ *Chief Executive Officer*

Monica Brunet ~ *Business Development Specialist*

Christine McGowan ~ *Administrative Assistant*

Steve Danners ~ *Business Development Specialist*

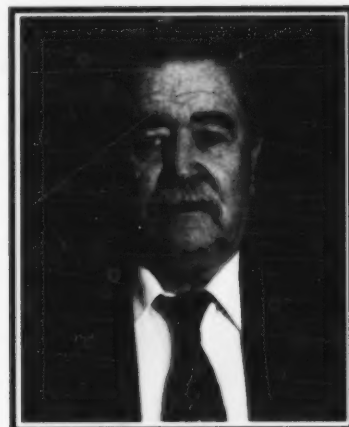
Georgette Nicolas ~ *Senior Business Development Specialist*

Ryan Patterson ~ *Business Development Specialist*

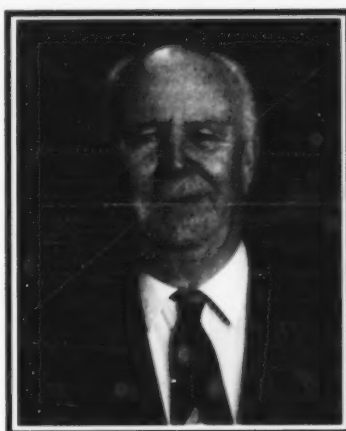
Board of Directors



Barb Gustafson
Urban
Prince Albert, Saskatchewan



Philip Tinker
Northern
Pinehouse, Saskatchewan



Bob McLeod
Chairman of the Board
Minister of Economic Development



Mike Woodward
Member at Large
Nipawin, Saskatchewan



Rick Watson
Southern
Regina, Saskatchewan

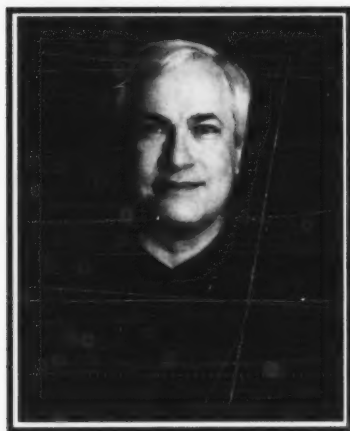
Board of Directors



Geordy McCaffrey
Ex-Officio
Executive Director
of Gabriel Dumont Institute



Mark LaRocque
Ministry of First Nations
and Métis Relations



Greg Fofonoff
Ex-Officio
SaskMétis Economic
Development Corporation



Denise Haas
Ministry of Enterprise
and Innovation

Clarence Campeau Development Fund Payee List \$2500 and over
2008

Personal Services

Salaries/Honorariums
(\$2500 and more)

Roland Duplessis	\$	125,912.18
Georgette Nicolas	\$	66,860.03
Monica Brunet	\$	56,182.28
Steve Danners	\$	56,225.53
Rebecca Krahn	\$	43,383.98
Ryan Patterson	\$	48,638.87
Christine McGowan	\$	32,076.84
Bob McLeod	\$	10,100.00
Philip Tinker	\$	3,700.00
Kendall Nicolas	\$	4,800.00

Goods and Services Suppliers

(\$20,000 or more)

Great West Life	\$	22,431.34
AGF	\$	59,987.16
CCRA	\$	113,819.41
Action Office Interiors	\$	27,401.00
Deloitte & Touche	\$	22,180.75

Individuals /Agencies

(\$5000 or more)

Suncorp Valuations	\$	11,804.25
Ramp Consulting	\$	28,211.25
Ramona Orosz	\$	21,966.25
Key Business Services	\$	28,539.50
Globe Printers	\$	6,952.94
Sasktel Mobility	\$	10,450.06
Sasktel	\$	11,429.60
Horizon Computers	\$	7,007.91
Woloshyn & Co.	\$	12,352.75
Brunsdon Junor Johnson Appraisals	\$	6,260.63
Choice Cleaning & Restoration	\$	81,446.74
City of Saskatoon	\$	13,050.83
Ernie Lawton	\$	9,450.00
SNEDCO	\$	20,812.50
Knibbs & Associates	\$	7,875.64
Koenig & Associates	\$	9,817.50
AON Reed Stenhouse Inc.	\$	6,907.00
Sharps Audio Visual	\$	6,040.10

CLARENCE CAMPEAU DEVELOPMENT FUND

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Saskatoon, Saskatchewan
S7L 6M6

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